

THE LEONARD LETTER

*A weekly electronic newsletter about
California government, business and taxes
Bill Leonard, Member
State Board of Equalization*

March 19, 2007

QUOTE OF THE WEEK

*"I can resist everything except temptation." ---
Oscar Wilde, Irish-born writer and wit (1854-1900)*

UNDER THE DOME

*****Are Republicans Not Doing the Message Bills Anymore?*****

I classify legislation into four categories. The first kind is a technical bill addressing a code section that has some minor error that was not caught when it went through, or a date that needs to be tweaked to make the law function better. These are almost always non-controversial, provided the bill is actually just technical in nature and not just being called one to escape scrutiny. The second kind of legislation is a special interest bill where some group or entity is going to either benefit from or get hurt by the proposal. For instance, last year's granting of state charters to communications companies to provide television service was a gain for the telecoms. The third kind is a district bill, which addresses a specific situation within a particular legislator's district or city, and is more likely to attract the interest of those who live there rather than people statewide.

The fourth kind is the ideological bill. Such measures typically cover topics like abortion, school choice, medical savings accounts, tougher sentencing for criminals, tax cuts, and the like. These are the bills that really show the difference between legislators and parties. They rely on philosophical or theological differences and can often generate a lot of emotional debate. Republicans used to show tremendous enthusiasm for these because, to most people, these are the kinds of bills that really matter. For me, they are also the most fun. I once introduced a bill mandating convicts generate their own electricity. I said if a prisoner wanted to watch TV, he or she can get on a bike with a generator....that kind of thing. I knew it had no chance to pass, but I wanted to get the public to pay attention to the fact that prisoners were not being required to do much of anything.

The point is: we need more of these ideological bills. We Republicans are not utilitarians. There are other questions in life besides, "Who gets what?" and "Who gets to do what to whom?" I am going to compile a list of the most right-leaning ideological proposals. If you have a favorite, please bring it to my attention.

*****Keys of Change*****

You may hope that the legislature operates at a more mature level than an average high school, but that would be misplaced hope, as evidenced last week by Senate President Pro-Temp Perata changing the locks on the offices of three Democrat Senators as punishment for their having attended a fundraising event that Perata perceived as backing moderate policies. I do not remember any member being locked out of their office while I served in the legislature, but when Willie Brown was Speaker, he often moved legislators out of offices with no notice. He did this to both Democrats and Republicans either to punish them with a smaller office or reward someone with a bigger office. His take on Perata's action was right on: "If I were the Republican leader, I'd be the first person calling those three members who were locked out and inviting them to dinner." I hope that Republican Leader Ackerman offered the three locked-out Senators the use of his offices, phones and computers for the day. Certainly, Perata should know that when you punish, you just create an enemy and you had better be prepared for it. During the Gang of 5 days (the 1988 revolt against Willie Brown), the discussion of punishment was constant, but the end game proved that when you punish someone and they have nothing left to lose, that is when they become the most dangerous.

*****Restating Mission is Not Reform*****

Another survey was released this week, this one funded by business executives, and the headline summary is that they would be willing to have taxes raised on you and everyone else if the new money was tied to school reform. I was eager to see what reform was the magic bullet that had bypassed all educators but was the darling of the business community. Here it is: "teaching essential basic skills such as reading, writing and math in combination with communication skills, responsibility and work ethic."

Two thoughts come to mind. Do business leaders really believe that teachers are no longer trying to teach basic skills? Should school districts be paid more for a "reform" that reads more like the mission statement of why government schools exist? These executives would do better if they spent a day in the classroom and started a list of all of the silly and distracting government mandates imposed on teachers then spent their money getting the district, the state, and the federal governments to repeal them all.

*****List of Tax Bills*****

For anyone who cares to follow tax legislation closely, there is an indispensable resource from Martin Helmke, former consultant to the Senate's Revenue & Taxation committee. Helmke has compiled a list of all the bills-- 154 of them-- that have tax implications and can be sorted by type of tax, author, or status. Helmke's list is provided to the public via the California Taxpayers' Association and you can find it at this link:

<http://www.caltax.org/>

ISSUE FOCUS

*****CA Price Tags Cost You Money*****

California is one of a handful of states that requires every item on store shelves to have an individual price tag, rather than just a price on the shelf. In a Wall Street Journal article last week, Paul Rubin discussed how these Item Pricing Laws (IPL) actually affect consumers. Rubin cites a Federal Trade Commission in 1998 that found overcharges (and undercharges) occurred in about 1% of the items sold. The average cost of overpricing was less than one cent per item. Yet, there are costs for putting price tags on each item sold rather than just labeling the shelves. Rubin and his colleagues studied the prices of items sold in IPL and non-IPL states. They concluded, "Prices in IPL stores are 20 cents to 25 cents higher per item than in non-IPL stores." Extracted out, Rubin writes, "the average price of the items in our sample was about \$2.50, so there is a 10% difference. This implies that prices of groceries are almost 10% higher in IPL stores. Food represents about 14% of the average family's budget. IPLs, therefore, reduce the real incomes of families by more than 1% -- a nontrivial amount." IPLs represent an opportunity for California lawmakers to make a change that could positively affect the bottom line of every Californian. You can see the entire Rubin piece at this link:

<http://online.wsj.com/article/SB117349375317732996.html?mod=opinion&ojcontent=otep>

*****Frustrated with English Learning*****

Earlier this month, the U.S. Department of Education's Director of the Office of English Language Acquisition, Kathleen Leos, held an on-line chat about the subject of teaching English to non-English speakers. The link below will take you to the full transcript of the chat, which may frustrate you as much as it did me. The complaints from educators around the country are serious and heartfelt. The Director's response are stilted and bureaucratic, referencing funding available for various programs but seemingly disconnected from the passion of the subject. Most disturbing, however, was the airing given to a 2005 Urban Institute Report showing that 56% of children who enter high school with limited English language ability are actually born in the U.S.

One in nine U.S. students are labeled "limited English proficient" now and by 2025, that ratio will be one in four. How on earth we think we can maintain our status as a world leader in the economy, in ideas, in science, in anything, when 25% of our students cannot speak English proficiently is beyond me. That children can be born in this country, spend their early years in public school classrooms and yet make it to high school without having mastered the language is unfathomable. And how parents, who should by nature want the very best for their children, put up with such underachievement and allow their children to continue in this educational slump, is deeply disturbing. Parents must demand more from themselves and their children, and educators must be freed to use the best language teaching methods instead of being hampered by regulations and restrictions.

See the transcript of Leos's on-line chat at this link:

http://www.washingtonpost.com/wp-dyn/content/discussion/2007/03/01/DI2007030101208.html?nav=rss_liveonline

MISCELLANY

A Good Read

I was struck Friday by a blog post by Mark Montini. (See this link:

<http://www.campaignhottips.com/>)

Montini noted that Hillary Clinton had recently criticized Joint Chiefs of Staff Chairman Peter Pace for saying he personally believed homosexual acts to be immoral and therefore, he could not condone them. Senator Clinton said, "It is inappropriate to inject such personal views into this public policy matter..." Montini ponders, "Here's my question: Isn't Hillary's belief that homosexual acts are moral as much of a personal view as General Pace's belief that homosexual acts are immoral? Whether you agree with General Pace or not is irrelevant." Then consider the news coverage recently of Al Gore's electricity consumption or Governor Schwarzenegger's carbon footprint from private jet flights. All of these tid bits got me thinking about a book on the overarching topic of liberal hypocrisy: "Do As I Say (Not As I Do): Profiles in Liberal Hypocrisy" by Peter Schweizer. The book does downplay hypocrisy on the right, which is also disturbing, but if you have also been annoyed by these recent developments, you will find Schweizer's book entertaining. He profiles the hypocrisies of several high-profile, left-leaning political and Hollywood types and observes, "[T]hese do-as-I-say liberals don't trust their own ideas enough to apply them at home... Which can only make one wonder: If their liberal prescriptions don't really apply to them as individuals, how can they work for the rest of us?"

BOE AND LEGISLATIVE DATES

March 20, 2007 --- Board of Equalization meets in Sacramento.

March 20, 2007 --- Business and Property Taxpayers' Bill of Rights hearings Business and Property Taxpayers' Bill of Rights hearings in Sacramento at approximately 1:30pm.

March 29, 2007 --- Legislative Spring Recess begins upon adjournment (J.R. 51(a)(2)).

March 30, 2007 --- Cesar Chavez Day.

April 8, 2007 --- Easter.

April 9, 2007 --- Legislature reconvenes from Spring Recess. (J.R. 51(a)(2)).

April 24-25, 2007 --- Board of Equalization meets in Sacramento.

April 27, 2007 --- Last day for policy committees to hear and report fiscal bills for referral to fiscal committees (J.R. 61(a)(2)).

May 28, 2007 --- Memorial Day observed

May 31, 2007 --- Board of Equalization meets in Sacramento.

June 1, 2007 --- Board of Equalization meets in Sacramento.

NOTABLE DATES/ HISTORY

March 19, 2003 --- United States forces invaded Iraq, beginning the U.S.-Iraq War of 2003.

March 20, 1852 --- Harriet Beecher Stowe's Uncle Tom's Cabin was first published in book form.

March 21, 1963 --- Alcatraz, a federal prison for dangerous criminals in the San Francisco Bay, closed.

March 21, 1965 --- Martin Luther King, Jr. lead a protest march that began in Selma, Alabama, and arrived in Montgomery five days later.

March 22, 1765 --- The Stamp Act was passed by the British Parliament on American colonists, levying a direct tax on colonial legal and commercial documents.

March 22, 1972 --- The Equal Rights Amendment was passed by the Senate and sent to the states for ratification. It failed to win the support of enough states to become part of the U.S. Constitution.

March 23, 1775 --- In a speech to the Virginia convention, Patrick Henry said the immortal words "Give me liberty or give me death!"

March 23, 1925 --- Tennessee banned the teaching of evolution in schools. Teacher John Scopes ignored the ban and was later prosecuted in what became known as the "Monkey Trial."

March 23, 1983 --- President Ronald Reagan announced plans for developing a space-based defense system that becomes known as "Star Wars."

March 24, 1989 --- The Exxon Valdez oil tanker started spilling 260,000 barrels of crude oil into Alaska's Prince William Sound.

March 25, 1966 --- The U.S. Supreme court ruled that poll taxes were unconstitutional.

GENERAL TAX INFORMATION

For answers to your general tax questions, call the Board of Equalization information center. Customer service representatives are available to help you from 8:00 a.m. to 5:00 p.m. Pacific time, Monday through Friday (except state holidays).

Toll-free number: 800-400-7115
TDD service for the hearing impaired
TDD phones: 800-735-2929
Voice phones: 800-735-2922

To reach the Taxpayer Rights Advocate's office for assistance with any BOE issues, see <http://www.boe.ca.gov/tra/tra.htm>, or call toll-free 1-888-324-2798.

HOW TO CONTACT ME

Bill Leonard, Member
State Board of Equalization, Second District
Email: bill.leonard@boe.ca.gov

Northern California Office:

400 Capitol Mall, Suite 2340
Sacramento, CA 95814
Telephone: (916) 445-2181
Fax: (916) 327-4003

Southern California Office:
4295 E. Jurupa Ave., Ste. 204
Ontario, CA 91761-1428
Telephone: (909) 937-6106
Fax: (909) 937-7044